**Mark Insley** of Ascot Wealth Management uses mainly Sipps in portfolios with appropriate cost and risk levels to help clients save for retirement

## THE PROPOSITION

We have a number of different strategies for people starting out on their accumulation journey, to those wanting to invest a £1.6 million Sipp for example. We are a growing firm so, not wanting to turn away clients, we have developed five service levels.

The first level is AWM Start, a low-cost option for people looking for early stage, basic financial planning. This can be conducted over the phone or via Skype rather than face-to-face and is used for investing in passive low-cost funds rather than one of our portfolios.

At the other end of the scale is AWM Family Office, the highest service level, involving a large number of face-to-face meetings and other services.

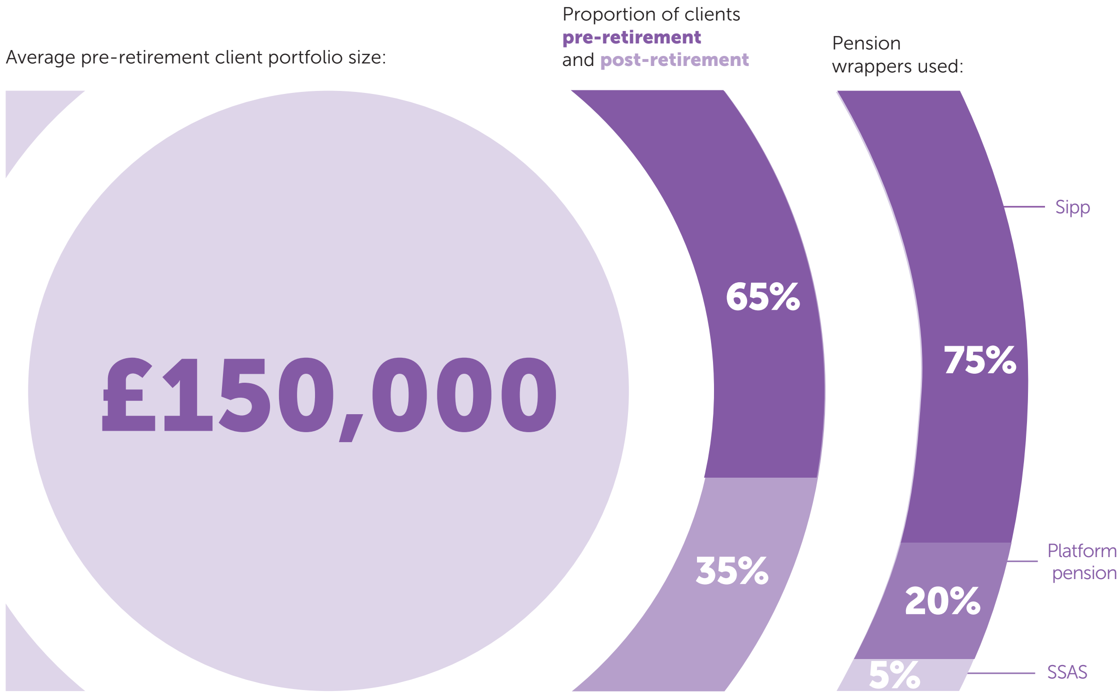
We also recommend SSASs for some small company clients. After the Budget, we found it easier to convince people to make regular contributions to their pension scheme – no longer is their pension just something their employer pays into but otherwise just sits there.

We have found the age range of 50 to 55 a particular sweet spot for combining pension and tax planning.

Investment advice, pensions and tax planning all run together in what we do for clients, and at the centre of the process is cashflow modelling.

**Mark Insley**
Managing director, Ascot Wealth Management

## THE FIGURES




## WHAT'S IN YOUR WRAPPER?

Most clients are invested via their Sipp in one of six portfolios. Portfolios are on a risk scale from one to five, with level one investing mainly in vehicles like bonds and level five in equities and absolute return funds, for example.

We are currently adding the sixth level, which will have specific overweight allocations in certain asset classes, such as gold.

We would invest our smallest clients through a low-cost Sipp, from Standard Life for example, which can invest in just a few funds.

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## RETIREMENT PLANNING TIPS

1. Ensure new legislation is reflected in client planning.
2. Ensure protection on death benefits is optimised.
3. Always consider a client's health in the annuity versus drawdown decision.
4. Ensure unnecessary Sipp charges are avoided if the client is happy with retail funds for their investment option.
5. Keep clients regularly briefed with cashflow modelling of projected pots.

## MY FAVOURITE CLIENT CASE

A client who works for London Underground has a final salary pension. He is a higher rate taxpayer aged 54. Although he is entitled to retire at 55, he cannot take his pension until he is 60 without suffering a cut in his benefits.

In anticipation of the incoming pension freedoms, we have advised him to put £80,000 of savings into a personal pension, gaining 40% tax relief. He will be able to draw on that pension as and when he needs to until he reaches 60.

## DECUMULATION CORNER

Until clients need their full 25% tax-free cash, we are keen on using phased drawdown. It allows us to split the pension fund into segments and crystallise each segment separately. Wherever the client is able to do so, we advise them to use phased drawdown, as in nearly every case they will be better off.

Post-retirement but pre-75, we would make sure, where appropriate, that the client is set up with a spousal bypass trust alongside their Sipp in drawdown. This will enable them to avoid an inheritance tax bill on pension death benefits when they die.